

ORIGINAL

The Morenci Water & Electric

401 Burro Alley
P.O. Box 68
Morenci, AZ 85540
Telephone (928) 865-2229
Facsimile (928) 865-5261



0000110182

April 12, 2010

Docket Control Center
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

Re: Purchase Power Fuel Adjuster
Docket: E-01049A-97-0677, Decision #49576
Reports for March 2010

Dear Staff:

Please find enclosed forms FA-1, FA-1A, FA-1B, FA-1C, FA-2, FA-3, and Power Purchase Data for the above referenced month.

- Tucson Electric Power in the amount of \$32,139.53
- Tucson Electric Power in the amount of \$246,125.00
- Tucson Electric Power in the amount of \$2,383,566.60
- Freeport McMoRan Copper & Gold Energy Services, LLC in the amount of \$2,790,875.09

Please let me know if you have any questions or comments.

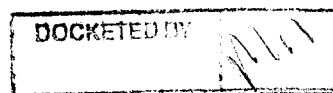
Sincerely,

Ruel A. Rogers, Jr.
Superintendent

Arizona Corporation Commission

DOCKETED

APR 15 2010



RAR/dl

Enclosures(13 sets)

XC: B. Bozzo, ACC w/encl.
H. Garz, FMI w/encl
B. Keene, ACC w/encl.
File PPFA 2010

RECEIVED
2010 APR 15 P 3:00
AZ CORP COMMISSION
DOCKET CONTROL

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
BANK BALANCE REPORT FA-1
For the Month of March, 2010

Line			
1.	ENDING BANK BALANCE FROM PREVIOUS MONTH: (Over = Neg, Under = Pos)	\$	(457,111)
2A.	JURISDICTIONAL SALES(Applicable to FUEL ADJ.): (= Total Sales - FA-3)	KWH	<u>2,132,995</u>
2B.	Total Sales(includes Special Contract Sales, shown for computation of unit cost only)	KWH	<u>95,985,633</u>
2C.	Special Contract Sales not subject to PPFA per Decision No. 60807 dated Apr 8 1998	KWH	<u>93,852,638</u>
3.	ACTUAL COST OF PURCHASED POWER:	\$	<u>4,608,903</u>
4.	UNIT COST OF PURCHASED POWER: (Line 3/Line 2B)	\$/KWH	<u>0.048017</u>
5.	AUTHORIZED BASE COST OF PUR. POWER: Per Decision No.54712 Dated 10/10/85	\$/KWH	<u>0.075220</u>
6.	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.61298 Dated 12/98, Updated Decision No. 61705 Dated 5/99	\$/KWH	<u>(0.027000)</u>
7.	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.67676 dated 03/05	\$/KWH	<u>0.000000</u>
8.	TOTAL RATE COLLECTED FROM CUSTOMER: (Line 5 + Line 6+ Line 7)	\$/KWH	<u>0.04822</u>
9.	INCREMENTAL DIFFERENCE BETWEEN AUTHORIZED AND ACTUAL RECOVERY: (Line 4 - Line 7)	\$/KWH	<u>(0.000203)</u>
10.	NET CHANGE TO BANK BALANCE: (Line 2A x Line 8) If Line 4 > Line 7 - Under Collected Balance. If Line 4 < Line 7 - Over Collected Balance, neg.	\$	(434)
11.	ADJUSTMENTS TO BANK BALANCE: From FA-1A	\$	0
12.	PREAPPROVED DSM COSTS: From FA-1B	\$	0
13.	ENDING BANK BALANCE: (Line 1 + Line 9 + Line 10 + Line 11)	\$	(457,545)

**THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
BANK BALANCE REPORT FA-1A
ADJUSTMENTS TO BANK BALANCE DETAIL
For the Month of March, 2010**

PLEASE PROVIDE A DETAILED SUMMARY OF THE ADJUSTMENTS THAT THE COMPANY IS CLAIMING THAT AFFECT THE ENDING BALANCE OF THE PURCHASED POWER AND FUEL ADJUSTOR REPORT. EXAMPLES OF ADJUSTMENTS COULD INCLUDE PRIOR PERIOD ADJUSTMENTS FOR BILLING ERRORS OR CORRECTIONS, REFUNDS RECEIVED FROM YOUR SUPPLIER, REFUNDS ORDERED BY THE COMMISSION ETC. ALL ADJUSTMENTS NEED TO BE THOROUGHLY EXPLAINED AND SUPPORTING DOCUMENTATION ATTACHED, IF APPROPRIATE. THE TOTAL OF ALL THE ADJUSTMENTS BEING CLAIMED SHOULD BE ENTERED AT THE BOTTOM OF THIS FORM AND ON FA-1, LINE 10.

ADJUSTMENTS TO BANK BALANCE:
(Transfer amount to FA-1, Line 10.)

\$0.00

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
BANK BALANCE REPORT FA-1B
PREAPPROVED DSM COST DETAIL
For the Month of March, 2010

PLEASE PROVIDE A DETAIL LISTING OF THE DSM COSTS CLAIMED ON FA-1, LINE 11. DSM COSTS SHOULD BE LISTED BY PROGRAM, AMOUNT AND PERIOD OF TIME WHEN THE FUNDS WERE ACTUALLY SPENT. THE TOTAL DOLLARS SPENT THIS MONTH ON ALL PROGRAMS SHOULD BE ENTERED ON THE LINE PROVIDED AT THE BOTTOM OF THIS PAGE AND ON FA-1, LINE 11.

PROGRAM NAME	APPLICABLE TIME PERIOD	CUMULATIVE COSTS CLAIMED TO DATE	COSTS CLAIMED THIS MONTH
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NONE

TOTAL DSM COSTS CLAIMED THIS MONTH
(Transfer amount to FA-1, Line 11.)

\$0.00

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
BANK BALANCE REPORT FA-1C
For the Month of March, 2010

Supplemental report for Decision No. 61298 dated December 1998

Line

1. ENDING BANK BALANCE FROM PREVIOUS MONTH: (Over = Neg, Under = Pos)	\$	<u>0</u>
2 JURISDICTIONAL SALES(Applicable to FUEL ADJ.): (= Total Sales - FA-3)	KWH	<u>0</u>
3 AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.61298 Dated 12/98	\$/KWH	<u>0.000000</u>
4 NET CHANGE TO BANK BALANCE: (Line 2 x Line 3)	\$	<u>0</u>
5 ENDING BANK BALANCE: (Line 1 + Line 4)	\$	<u>0</u>

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
GENERAL INFORMATION FA-2
For the Month of March, 2010

Line

1. COMPANY NAME: THE MORENCI WATER & ELECTRIC COMPANY
2. MAILING ADDRESS: P.O. BOX 68 - MORENCI, AZ. 85540
3. CONTACT PERSON: RUEL A. ROGERS, JR.
4. CONTACT TELEPHONE NUMBER: (928) 865-6971

GENERATION

5.	GAS GENERATION	(\$)		
6.	OIL GENERATION	(\$)		
7.	COAL GENERATION	(\$)		
8.	OTHER GENERATION (Identify)	(\$)		
	TOTAL GENERATION COSTS	(\$)	A.	0

PURCHASED POWER

9.	BASE METER CHARGE	(\$)		
10.	DEMAND CHARGE	(\$)		
11.	ENERGY CHARGE	(\$)		
	TOTAL PURCHASED POWER COSTS	(\$)	B.	<u>4,608,903.34</u>
	(Including Special Contract Per Decision No. 60807)			
12.	TOTAL COST OF GENERATION AND PURCHASED POWER	(\$)		<u>\$4,608,903.34</u>
	(Total of Lines 8A and 11B)			
13.	KWH	(KWH)		
	Generated			0
	Purchased Special Contract (Per Decision No 60807)			<u>93,852,638</u>
	Purchased			<u>4,608,903</u>
	TOTAL KWH GENERATED/PURCHASED			<u>98,461,541</u>
14.	COST PER KWH	(\$/KWH)		<u>0.046809</u>
	(Line 12/Line 13)			
15.	UNACCOUNTED FOR KWH'S			
	Line Loss	(KWH)		<u>157,788</u>
	Own Use	(KWH)		<u>6,656</u>

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
GENERAL INFORMATION FA-3
For the Month of March, 2010

Line			
1.	<u>SALES (KWH)</u>		
	Residential	<u>1,037,242</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>1,095,753</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	<u>93,852,638</u>	
	TOTAL SALES (KWH)		<u>95,985,633</u>
	(Total KWH Sales SHOULD Agree with number on FA-1, Line #2.)		
2.	<u>SALES (\$)</u>		
	Residential	<u>\$116,775.41</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>\$112,665.48</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	<u>\$4,694,805.32</u>	
	TOTAL SALES (\$)		<u>\$4,924,246.21</u>
3.	<u>NUMBER OF CUSTOMERS **</u>		
	Residential	<u>2,090</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>263</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	<u>1</u>	
	TOTAL CUSTOMERS		<u>2,354</u>

**Use 'Avg' number of customers; Beg # + End # divided by 2.

THE MORENCI WATER & ELECTRIC COMPANY
Miscellaneous Power Purchase Data
Excludes Special Contract Sales
For the Month of March, 2010

	<u>K.W.H.</u>	<u>Percent</u>	<u>K.W.</u>
Total Sales	95,985,633	99.8%	
Total Own Usage	6,656	0.0%	
Total System Losses	157,788	0.2%	
Total Purchased Energy	96,150,077		
System Losses-Rolling annual average		<u>0.16%</u>	
MWE Billed Peak			N/A
MWE Load Factor as Billed	N/A		
*MWE/PDC Coincidental Peak Demand			N/A
*MWE/PDC Coincidental Load Factor	N/A		
*Per Prem Bahl's Calculations 6/17/91			
MWE Actual Peak Per 3 MWE Totalizers			N/A
MWE Actual Load Factor Per 3 MWE Totalizers	N/A		



The Energy People

P.O. Box 711 M/S DS204
Tucson, Arizona 85702
Phone: 520-917-8773
Fax: 520-917-8789

INVOICE

Morenci Water & Electric

Attn: Ruel Rogers
P.O. Box 68
Morenci, AZ 85540

Invoice Date: **April 2, 2010**

Customer No: **TEP 0311 MWE 904**

Description				Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.						
Month of: March 2010						
Control Area Services:						
Administrative	178,707	kW @	0.0128 / kW	2,287.44		2,287.44
Reactive Supply & Voltage Control	178,707	kW @	0.1610 / kW	28,771.75		28,771.75
Regulation & Frequency Response	2,028	kW @	12.0850 / kW	24,508.38		24,508.38
Energy Imbalance - Outside Bandwidth:						
Negative Imbalance	786.99	MWh @	100.00 / MWh	78,699.05		78,699.05
Positive Imbalance	(35.131)	MWh @	39.65830 / MWh		1,393.22	(1,393.22)
Spinning Reserve	1,000	kW @	12.0850 / kW	12,085.00		12,085.00
Interruptible Load/Non-Spin	0	kW @	1.9840 / kW	-		-
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:						
Negative Imbalance	2,058	MWh				
Positive Imbalance	(860)	MWh				
Net	1,198	MWh				
Credit for Dec-09 and Jan-10					\$ 112,818.87	(112,818.87)

e-mail to:
roxanne_boling@fmi.com

copy to:**Freeport McMoran Copper & Gold, Inc.**

Attn: Mike Hughes
One North Central Avenue
Phoenix, Arizona 85004

Payments are due the 15th day after invoice receipt

Amount Due TEP \$ **32,139.53**

Please Wire Transfer Payments to:

Due Date: **April 17, 2010**

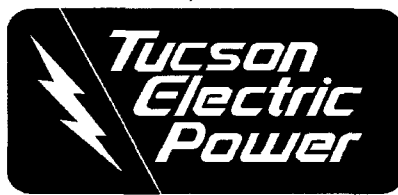
Tucson Electric Power Company - Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number 495-0029116

Payments not received on or before the
Due Date are subject to a late charge.

Checked By: _____

Approved By: _____

Questions? Call Shawna Hilman at (520) 917-8716 or
e-mail SHilman@tep.com



The Energy People

P.O. Box 711
Tucson, Arizona 85702
520-745-7170
fax 520-770-2003

INVOICE

Morenci Water & Electric Company

Attn: Ms. Roxanne Boling
P.O. Box 68
Morenci, AZ 85540

Invoice Date:

April 1, 2010

TEP 0311 904

Description	Charges	Credits	Amount
Energy purchased by: MWE March			
Energy Charge: 0 MWh @ \$0.00 /MWh	\$ -		\$0.00
Transmission Services			
Transmission 100 MW @ \$2,259.25 MW-Mon	\$225,925.00		\$225,925.00
Ancillary Services:			
Scheduling, System Control, and Dispatch Service \$161.00 MW-Mon	\$16,100.00		\$16,100.00
Reactive Supply and Voltage Control \$41.00 MW-Mon	\$4,100.00		\$4,100.00
Non-Spin capacity 0 MWh @ 0.00 /MWh		\$0.00	\$0.00

Payments are due the later of the last day of the invoice month or the tenth day after receipt.

Amount Due TEP

\$ 246,125.00

Please Wire Transfer Payments to:

Due Date:

April 30, 2010

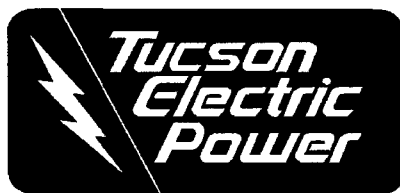
Tucson Electric Power Company – Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number 495-0029116

Payments not received on or before the
Due Date are subject to a late charge.

Approved By: _____

Checked By: _____

Questions? Call Bob Nowak at (520) 917-8776 or
e-mail rnowak@tep.com



The Energy People

P.O. Box 711
Tucson, Arizona 85702
520-745-7170
fax 520-770-2003

INVOICE

Morenci Water & Electric Company

Attn: Ms. Roxanne Boling
P.O. Box 68
Morenci, AZ 85540

Invoice Date:

April 1, 2010

TEP 0311 904

Description	Charges	Credits	Amount
Energy purchased by: MWE March			
Energy Charge:			
Market Power - Real Time 42,870 MWh @ 39.81 /MWh	1,706,484.00		1,706,484.00
Market Power - Daily 20,903 MWh @ 32.39 /MWh	677,082.60		677,082.60
Short Term Contract 0 MWh @ #DIV/0! /MWh	0.00		-
Imbalance PAYB from TEP 1,079 MWh @ 0.00 /MWh	0.00		0.00
Additional Transmission costs: (PNM, WALC, TEPC)	0.00		0.00
Amount Due TEP			\$ 2,383,566.60

Payments are due the later of the last day of the invoice month or the tenth day after receipt.

Please Wire Transfer Payments to:

Tucson Electric Power Company - Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number 495-0029116

Due Date:

April 20, 2010

Payments not received on or before the
Due Date are subject to a late charge.

Approved By: _____

Checked By: _____

Questions? Call Bob Nowak at (520) 917-8776 or
e-mail rnowak@tep.com



**FREEPORT-McMoRAN
COPPER & GOLD**

Freeport-McMoRan Copper & Gold Energy Services, LLC
One North Central Avenue, Phoenix AZ 85004-4414
(602) 366-8100 Voice
(602) 366-7314 Facsimilie

INVOICE

Invoice Date: April 1, 2010

Morenci Water & Electric
P.O. Box 68
66 Fairbanks Road
Morenci, Az. 85540

Description	Charges	Credits	Amount
Energy Purchased by MW&E pursuant to : PDES's FERC Electric Tariff, First Revised Volume No. 1, Second Revised Sheet Nos. 1-3			
Capacity MW 120	\$ 960,000.00		\$ 960,000.00
Energy MWh 50,145	\$ 1,662,889.34		\$ 1,662,889.34
var O&M 50,145	\$ 167,985.75		\$ 167,985.75
Current Charges			\$ 2,790,875.09

Due Date: April 15, 2010

Wire Transfer:

Bank of America
Dallas, Texas
ABA # 026009593
Account # 3752029501
Freeport-McMoRan Copper & Gold Energy Services